United Nations A/61/138

General Assembly

Distr.: General
13 July 2006

Original: English

Sixty-first session
Item 61 (a) of the preliminary list*
New Partnership for Africa's Development: progress in implementation and international support

Second report of the Secretary-General's Advisory Panel on International Support for the New Partnership for Africa's Development

Note by the Secretary-General

In accordance with paragraph 32 of General Assembly resolution 60/222 of 23 December 2005, the Secretary-General has the honour to transmit to the General Assembly the report of the Secretary-General's Advisory Panel on International Support for the New Partnership for Africa's Development entitled "From commitments to results: moving forward NEPAD implementation".

* A/61/50 and Corr.1.

06-42850 (E) 040806

Transmittal letter dated 30 June 2006 from the Chairman of the Secretary-General's Advisory Panel on International Support for the New Partnership for Africa's Development addressed to the Secretary-General

In my previous transmittal letter, I indicated that the Secretary-General's Advisory Panel on International Support for the New Partnership for Africa's Development would submit a supplementary report in 2006. The present report fulfils that promise. The theme of our second report is "From commitments to results: moving forward NEPAD implementation". It reflects the recognition of the progress made since last year but also underlines the importance of undertaking policy measures to accelerate the implementation of the New Partnership for Africa's Development (NEPAD).

The past year has witnessed significant commitments by the international community in support of Africa's development. The growing level of support has coalesced into new momentum for international action for Africa. The major tasks that lie ahead are to build on that momentum and to translate the commitments made into concrete results that enable African Governments to advance the NEPAD agenda, in particular in laying a strong foundation for sustainable and equitable growth and development, political stability and democratic governance.

The preceding considerations informed the work of the Panel. Consequently, the Panel has articulated a range of proposals aimed at delivering on the pledges made by African development partners and has spelled out further measures to strengthen the momentum. Several important findings emerged from the work of the Panel, in particular in the course of the consultations with various Governments and institutions within Africa and outside the region. One of them was the assurance of continuing support for Africa given by the development partner Governments and institutions. While the Panel found those assurances comforting, it was, nonetheless, mindful that converting the commitments to concrete actions would require efforts on a broad front.

In spite of the progress made so far, there can be no room for complacency, as that would threaten the momentum. To avoid that, African Governments and their development partners would require sustained and constructive dialogue and broad engagement on the current and emerging priorities on Africa's development agenda.

The United Nations system will remain an important pillar of international support for NEPAD. However, to ensure that it can be a credible and effective partner in the implementation of NEPAD, the United Nations system must review and reinforce its modalities of work, including the framework for coordination and collaboration in support of NEPAD. In particular, it will be useful for the United Nations system to develop an integrated framework for supporting the African Union (AU) Commission, which incorporates support for the NEPAD programme.

Enhanced support for the development of the private sector in Africa by the international community and by African Governments remains an important priority. The task is all the more urgent because there is wide recognition that the private sector is a key stakeholder in the implementation of NEPAD. Many of the programmes and projects of NEPAD could not be realized without active private sector involvement or, in any case, without some form of public-private

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partnerships. In the dialogue with the representatives of the private sector in Africa, considerable emphasis was placed on creating an enabling environment for domestic private firms to grow and on developing special initiatives to promote investment opportunities in Africa. Support for the private sector must proceed alongside with more outreach to civil society and the larger public to deepen awareness and the sense of citizen ownership and participation in NEPAD.

While the Panel is aware that its remit is to promote international support for NEPAD, it also recognizes that such support will yield the desired results only if there is effective implementation of NEPAD programmes, strong regional consensus for such programmes and a clear definition of responsibility between the African Union (AU) Commission and the NEPAD secretariat in the formulation and implementation of programmes. The present report has highlighted a number of issues that need to be addressed by African leaders to promote those objectives.

Monitoring is central to ensuring that commitments made are fully honoured. Effective monitoring and periodic reporting are crucial, especially in the light of the multiplicity of commitments to and initiatives in support of Africa. Monitoring should focus as much on specific commitments as on their practical policy outcomes. The Panel is aware that a number of monitoring mechanisms or processes have emerged in response to the need to track progress on commitments made to Africa in the past few years. This is a healthy development.

Nevertheless, the General Assembly has the structural advantage of being more inclusive and representative. This is why the Office of the Special Adviser on Africa, whose role it is to monitor and report to intergovernmental meetings at United Nations Headquarters on progress in international support for and implementation of NEPAD, is so important and why the Office has to be strengthened to play that role effectively.

The Panel gratefully acknowledges the financial support of the Governments of Denmark and Norway, which provided funding for the consultation visits by the Panel (see list in annex II).

I would also like to express, on behalf of the Panel, its appreciation to the staff of the Office of the Special Adviser on Africa for their excellent research, logistical and administrative support.

The Panel was established to advise you on the measures to promote international support for NEPAD. Its two-year mandate expires in 2006. The present report is the last that the Panel will submit to you. I would like to seize this opportunity to thank the Secretary-General for the honour of serving as Chairman of the Panel and to the Panel members for their active participation and dedication.

(*Signed*) Emeka **Anyaoku**
Chairman
Secretary-General's Advisory Panel on International Support
for the New Partnership for Africa's Development

Second report of the Secretary-General's Advisory Panel on International Support for the New Partnership for Africa's Development

From commitments to results: moving forward NEPAD implementation

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I. New Partnership for Africa's Development and international support

1. The New Partnership for Africa's Development (NEPAD) is an Africa-owned and -led process that reflects African leaders' common vision and shared commitment to eradicating poverty and to placing their countries, both individually and collectively, on the path to sustainable growth and development. Those objectives accord fully with the international commitments to achieve the Millennium Development Goals, in particular the goal of halving extreme poverty by 2015. That goal provides the foundation for the main promise of NEPAD, namely the socio-economic renewal and development of Africa. As part of that effort, NEPAD aims to achieve an average of 7 per cent per annum growth in real gross domestic product.

2. The Partnership marks the first time that an African development framework has emerged as the focal and rallying point for the international community's support for Africa and as a basis for new partnership with the region. The notion of partnership embedded in NEPAD is one of the strengths of the initiative and has several components. NEPAD puts a great premium on partnership between African Governments and their development partners, and between the Governments and their peoples, including the private sector and civil society. Thus, NEPAD reflects the growing consensus that the development process is a multi-stakeholder effort.

3. The Partnership has elicited significant international support for Africa. NEPAD signals a strong commitment by Africa's leaders to provide a fresh impetus for the development of a region scarred by many years of conflict, political instability and nearly two decades of poor economic performance.

4. The development of Africa was high on the international agenda in 2005. It ranked high on the agenda of the annual summit of the Group of Eight (G8) at Gleneagles, Scotland, in July 2005. It featured prominently in the 2005 World Summit Outcome, adopted by the General Assembly in its resolution 60/1 of 16 September 2005. In addition, several reports, including the first report of the Panel (A/60/85), have explained in detail the needs of Africa and how best to develop an effective international response to them. The above-mentioned high-level events, coupled with the mobilization of international public opinion in support of Africa, have contributed to the momentum that has been generated in respect of Africa's development.

5. In its first report, the Panel referred to the new opportunity for Africa brought about by a confluence of African leaders' commitments through NEPAD to economic, social and political renewal in Africa and the international community's support for that effort. Thus, the promising developments of the past year have shown that there is now new momentum in support of Africa's development. The opportunity provided by the new momentum of support must be grasped by African leaders and Africa's development partners, who should translate their pledges of support into concrete action.

6. Effective implementation of the priorities of the Partnership is the key to realizing its promise. The NEPAD programme of action consists of a set of priorities aimed at making a discernible impact on restoring stability and growth in countries where they have been undermined by conflicts; sustaining peace consolidation and economic reforms in post-conflict situations; and strengthening democracy and

development in countries where they have begun to take root. The Partnership's main priorities comprise good governance, including conflict management and conflict resolution, infrastructure development, information and communication technology, agriculture, environment, human resources development (health and education), and science and technology. It is in respect of those critical areas that African countries have called upon the international community to assist them through a mix of aid, debt relief, trade and market access, investment and technical assistance.

7. The main task of the Panel is to advise the Secretary-General on measures and actions to help Africa mobilize international support for NEPAD.

8. The remainder of the present report is organized as follows: section II is concerned with building on the momentum for international commitments; section III analyses African measures for reinforcing international support; section IV examines issues related to enhanced United Nations support for NEPAD; section V analyses the monitoring of implementation; and section VI highlights the recommendations of the Panel.

II. Building on the momentum of international commitments

9. The year 2005, designated as the "year of Africa", witnessed strong support and commitment from the international community to Africa's development through various actions and events, including through reports. With respect to the latter, in addition to the first report of the Panel, there were also the reports of the United Nations Millennium Project (A/59/727) and of the Commission for Africa.[1] The Gleneagles summit and the 2005 World Summit further reaffirmed support for African development. To build on the momentum generated in 2005 through practical delivery of pledges in 2006 and subsequent years is the key challenge now faced by Africa and the international community.

A. Aid commitments and efforts to improve aid effectiveness

10. The trend of increases in official development assistance (ODA) to Africa continued during the period 2004-2005. In conformity with the commitments made at the Monterrey Conference to allocate at least half of the increase in ODA to Africa by 2006, the G8 countries increased their assistance to the continent by an estimated 6 billion United States dollars ($) during the period 2001-2004. Based on the preliminary data for disbursements in 2005, G8 members and other Development Assistance Committee donors will have to make a greater effort to reach the level of an additional $50 billion per annum in real terms between 2004 and 2010, with the increase to Africa amounting to $25 billion per annum over the same period. That figure is consistent with the recommendations made in the reports of the Commission for Africa and the United Nations Millennium Project.

11. In May 2005, the European Union (EU) agreed to double its ODA between 2006 and 2010, with at least 50 per cent of the increase earmarked for Africa. Specifically, after reaching the global official development assistance/gross national

[1] *Our Common Interest: The Report of the Commission for Africa* (2005). See http://www.commissionforafrica.org.

income ratio of an estimated 0.35 per cent in 2005, the EU is on track to achieve, in 2006, the 0.39 per cent target in 2006, as committed in Monterrey.[2] In May 2005, while confirming its commitment to reach a collective target of 0.7 per cent of the ODA/GNI ratio by 2015, the EU agreed to a new collective target of 0.56 per cent by 2010, which would result in an increase in ODA of 20 billion euros (€) between 2006 and 2010. At the European country level, only Denmark, Luxembourg, the Netherlands, Norway and Sweden met the 0.7 per cent target.

12. Japan agreed to increase its total ODA volume over the period 2005-2009 by $10 billion, while doubling its assistance to Africa between 2005 and 2008. Under its "Health and Development Initiative" for Africa launched in June 2005, Japan would provide $5 billion over the period 2005-2009. In addition, in partnership with the African Development Bank, Japan proposed an enhanced private sector assistance facility of $1.2 billion, to be disbursed over five years. Following a tripling of net disbursements to Africa during the period 2000-2004, the United States of America intends to double its assistance to sub-Saharan Africa between 2004 and 2010. Canada continues to increase its ODA by 8 per cent per annum so as to double its assistance between 2001 and 2010, with half of the increase allocated to African countries.[3] Even though it is difficult to obtain comprehensive information on their aid volumes and commitments, major emerging market countries, such as China and India, have started to play a role in development assistance to Africa.

13. Nevertheless, there is a growing concern about the make-up of publicized development aid figures, which may include items that do not represent real resource transfers in support of development.[4] According to calculations in the Joint European NGO Report, nearly one third of the official development assistance reported by the European Union in 2005 did not include any new aid resources for poverty reduction in developing countries. A large amount of the stated aid spending was, in fact, allocated to financing the housing of refugees in Europe and to debt cancellation, despite the Monterrey Consensus' agreement that debt cancellation should be additional to ODA.

14. In resolution 60/1, the 2005 World Summit confirmed the commitment of the world community to achieving the Millennium Development Goals by 2015. In particular, it called for the adoption, by 2006, and implementation of comprehensive national development strategies, including a substantial increase in aid to Africa of enhanced quality and increased timelines, and recognized the value of developing innovative sources of financing of development projects (such as the International Finance Facility or international taxation on aviation fuel), in particular in the health sector. The Tokyo International Conference on African Development emphasized that increased trade and investment between Africa and Japan would make a significant contribution to the implementation of NEPAD and that poverty reduction was an important goal of Asia-Africa cooperation.

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[2] See *Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002* (United Nations publication, Sales No. E.02.II.A.7), annex II.

[3] This would result in a doubling of its aid to Africa between 2003-2004 and 2008-2009.

[4] Hetty Kovach and Alex Wilks, *EU aid: Genuine Leadership or Misleading Figures? An Independent Analysis of European Governments' Aid Levels*, Joint European NGO Report (Brussels, European Network in Debt and Development, 2006). Available from http://www.eurodad.org.

15. In addition to the increase in aid to Africa, some progress has been made in improving the quality and effectiveness of aid to NEPAD through the following three initiatives:

(a) The Paris Declaration on Aid Effectiveness[5] called for increased efforts, with specific commitments, at aligning donor support with partner countries' development strategies, harmonizing donor operational procedures, managing aid with a focus on development results and improving mutual accountability for implementing commitments on aid effectiveness;

(b) The Organization for Economic Cooperation and Development/ Development Assistance Committee (OECD/DAC) and the Economic Commission for Africa, in the first mutual review of development effectiveness, emphasized the importance of mutual accountability and the need to strengthen both donors' and African countries' systems for aid delivery and management;

(c) The African Partnership Forum will focus on monitoring and advancing the implementation of commitments and on reviewing progress by all partners involved (i.e., the G8, the OECD and other development partners).

B. Debt cancellation

16. In July 2005 the Gleneagles summit endorsed the Multilateral Debt Relief Initiative for the 100 per cent cancellation of debt owed to the International Monetary Fund, the International Development Association and the African Development Fund by 14 African participants in the Highly Indebted Poor Countries (HIPC) Initiative.

17. The focus on poverty in Africa in 2005 led the G8 countries to address the issue of Nigeria's debt, as the country has the largest population in the continent, with 95 million living in poverty. As a result of the Paris Club agreement signed in October 2005, Nigeria is allowed to obtain a debt write-off of an estimated $18 billion, representing 60 per cent of eligible debt of around $30 billion owed by Nigeria to Paris Club creditors; a settlement of arrears in the amount of $6.3 billion; and an additional $6.1 billion for debt buyback. In addition, some G8 creditors, including Canada, France, Japan, the Russian Federation and the United Kingdom of Great Britain and Northern Ireland, have continued their policy of selectively granting debt cancellation to some African HIPCs, going beyond the terms under the HIPC Initiative.

C. Trade liberalization

18. At the Hong Kong ministerial trade talks in December 2005, an agreement was reached to eliminate export subsidies on agricultural goods by the end of 2013. In addition, the EU, Japan and the United States pledged to grant duty-free and quota-free market access to 97 per cent of the 50 least developed countries' products by 2008, with an exception for some 300 sensitive products (such as sugar and rice) that are of interest to African countries. Some progress was made with cotton, whereby commitments were made to eliminate export subsidies by 2006 and African

[5] OECD/DAC, High-Level Forum on Aid Effectiveness, Paris, 28 February-2 March 2005.

countries will have free access to the cotton markets in developed countries.[6] However, even though the EU and the United States have promised a reduction of domestic subsidies for cotton, no specific dates were set. The Panel is disappointed that the Hong Kong trade negotiations did not achieve the desired level of progress.

D. Joint Action Plan

19. The G8 Gleneagles summit endorsed the proposal to strengthen the African Partnership Forum, which was established in order to widen the partnership between Africa and the developed world in support of NEPAD, by including both the G8 members and other development partners. With a strengthened Forum, conditions have been created to deepen the partnership between Africa and its development partners by broadening the membership and widening its mandate, entrusting it with the task of elaborating a joint action plan that integrates the visions and capabilities of both African countries and their development partners and ensures that commitments are met in a timely fashion. The Joint Action Plan brings together commitments made by African countries and development partners, as laid out in NEPAD and AU programmes, the G8 Africa Action Plan,[7] and commitments made at the Gleneagles summit and the 2005 World Summit. The recently approved Plan contains clear benchmarks with a specific timetable and assists in monitoring progress and reporting on delivery of mutual commitments. The primary objectives of the exercise are to reaffirm the common vision of partnership with regard to African ownership of the development process, to provide a means to track progress and hold members to account for previous commitments and to accelerate implementation on joint initiatives. Issues such as mutual accountability and cross-sectoral issues must be part of monitoring and reporting.[8]

III. African measures for reinforcing international support

20. While the Panel is aware that its remit is to promote international support for the New Partnership for Africa's Development, it also recognizes that such support will yield the desired results only if there is effective implementation of NEPAD based on a strong regional consensus for such programmes; clear delineation of responsibilities between the AU Commission and NEPAD secretariat in the formulation and implementation of programmes; and strengthened collective action within Africa.

A. Institutional issues

21. Africa needs to press for action in the delivery of commitments by the international community in a coordinated manner. To that end, there is an urgent need to sort out the institutional relationship between the AU Commission and the NEPAD secretariat. The Panel's consultations with various institutions (see annex II) have highlighted several drawbacks arising from the lack of full integration of the NEPAD secretariat into the AU Commission. They include the following:

[6] The United States recently approved the removal of export subsidies for cotton by August 2006.

[7] Adopted by the G8 summit, Kananaskis, Canada, 27 June 2002.

[8] Communiqué of the sixth meeting of the African Partnership Forum, Maputo, 4-5 May 2006.

(a) Growing confusion in respect of responsibilities and programming in support of activities initiated by the Commission and the secretariat;

(b) Inefficiency in the use of limited resources as both bilateral and multilateral donors spread the funds available for regional programmes thinly to satisfy competing demands by both the Commission and the secretariat;

(c) Frequent duplication in their programmes, leading to weaker outcomes and results.

22. The Panel is aware that the three-year transition period for integration of the NEPAD secretariat into the AU Commission, envisaged under the Maputo Decision adopted by the Executive Council of the African Union in July 2003, falls due this year. African leaders need to develop an appropriate and technically coherent framework to resolve the question of the crucial relationship between the AU Commission and the NEPAD secretariat. Any agreed arrangement between the AU and the NEPAD secretariat will require support for the strengthening of the institutional capacity of the AU Commission, while preserving the positive brand identity of NEPAD.

23. At the same time, it is important for the regional institutions (African Union, African Development Bank and the Economic Commission for Africa) and the subregional institutions (regional economic communities) to undertake measures to support the implementation of NEPAD. At the same time, there is a vital need to build the capacity of the regional economic communities and provide them with the necessary human and financial resources. A precondition to strengthening those communities is a review of the existing regional groupings with a view to streamlining the number of different groupings and avoiding as much as possible an overlap in their membership and programmes.

B. Strengthening partnership

24. Enhanced partnership is vitally important to the successful implementation of NEPAD. There are various tiers of partnership. There is a need for partnership between the individual African countries, the regional economic communities, the African Union Commission, the African Development Bank and the Economic Commission for Africa. As already emphasized in the first report (A/60/85), there is also a need for strengthened partnership between Government, the private sector and civil society.

25. As the successful implementation of NEPAD requires a coordinated multi-stakeholder approach, it will be necessary to ensure the active participation of key stakeholders in the implementation process: key government ministries, regional economic communities, the private sector, civil society and African development finance institutions. All stakeholders should therefore have access to information related to the implementation of NEPAD, and mechanisms for stakeholder participation should be broadened and deepened. Mechanisms should be created for effective multi-stakeholder dialogue and for discussions at all levels (continental, regional and national).

26. Poverty Reduction Strategy Papers (PRSPs) and national development strategies should take into account the NEPAD priorities (see para. 6). While many African countries have made considerable progress in the area, others need to take

further steps to improve the arrangements for NEPAD coordination in their countries, through NEPAD offices and/or focal points, ensuring proper information flow and coordination and the internalization of NEPAD processes and priorities, and facilitating deliberations at the national level. Cabinets, especially the ministers for finance, need to be more actively involved in the implementation process. Similarly, it is important to more actively engage parliaments in the national debates on NEPAD.

27. **Private sector (domestic and foreign).** As stressed in the Panel's first report (A/60/85), a dynamic domestic private sector is an important engine for growth and job creation in Africa. In particular, informal private sector enterprises make an important contribution to African economies. Creating an enabling environment for private sector development must be accorded high priority for Africa to achieve sustained growth and accelerated development. While private sector firms, through the NEPAD Business Group, are partnering with Governments at the continental level, it is also necessary to establish effective mechanisms at the national level for private sector participation in the implementation of NEPAD. The most beneficial forms of support for the private sector include access to short- and long-term capital (including microcredit); infrastructure; and a stable macroeconomic and political environment.

28. In the dialogue between the Panel and the representatives of the private sector, the representatives placed considerable emphasis on creating an enabling environment for the domestic private sector to grow and on developing special programmes to promote investment opportunities in Africa. The latter effort would require collaboration between Governments, private sector groups and international financial institutions. In addition, Governments should establish business rules and regulations that provide a level playing field for domestic and foreign businesses.

29. While the Government has the responsibility to improve the policy environment, the private sector also needs to adopt a more proactive role to overcome the constraints. The private sector needs to focus on diversification, particularly into higher value added products, and on further efforts to join the supply chain. The private sector firms should also improve their productivity and competitiveness. At the same time, the private sector should be more proactive in building linkages and partnerships both with foreign investors and between large businesses and small and medium-sized enterprises within Africa, which would be mutually beneficial in terms of the transfer of skills and technology and the creation of new business opportunities.

30. It is also necessary to engage new actors, namely, the multinational corporations active in Africa in the NEPAD process, and encourage them by offering appropriate incentives to participate actively in the implementation of NEPAD. African Governments should ensure that private sector enterprises, including multinational corporations, demonstrate corporate social responsibility by integrating social and environmental considerations into their business practices and operations.

31. **Civil society.** Civil society organizations could be crucial in sensitizing the population about the objectives of NEPAD and enhancing their participation. Greater awareness of the population would also increase pressure on Governments to deliver on promises and plans. There is evidence of growing efforts to consult with or involve civil society in implementing NEPAD, but the nature and scope of

that involvement vary greatly. It is thus important to take steps to enhance the engagement of civil society in the countries where it has not been adequately involved. Governments in those countries need to recognize the legitimacy of civil society involvement in the NEPAD process and engage in an active dialogue with such actors. At the same time, civil society organizations should take a more proactive role in the implementation of NEPAD. The extent of the participation of civil society in the implementation of NEPAD is limited owing to its capacity constraints. Civil society needs help to develop its capacity, which should be provided by NEPAD structures at the national level.

C. Outreach and public awareness

32. Nearly five years after the adoption of NEPAD, there is some evidence of growing awareness of its goals and objectives among the general public both within and outside Africa, and among the media. However, African Governments, the AU Commission and the NEPAD secretariat need to deepen their efforts at communication and outreach. Such communication and outreach efforts would have a three-fold objective: to enhance and maintain awareness and public interest in NEPAD in Africa and abroad; to mobilize all the stakeholder groups for action; and to report on progress made in the implementation of NEPAD and on the positive results on the ground. The latter is particularly important, as the Partnership's strongest selling point is to show effective progress in its implementation. In that regard, proper monitoring of the progress made and sharing the results of the monitoring with all stakeholders are vital.

33. Advocacy work for NEPAD should be an important task of the African Governments, the AU Commission and the NEPAD secretariat, complemented by other partners. To that end, the capacity of the above-mentioned major stakeholders to undertake advocacy work needs to be strengthened. Further efforts are necessary to involve the media as a stakeholder and a crucial partner. So far, the media have primarily focused on high-level events, such as the summits, and on speeches by Heads of State, which discourages the general public from feeling that they are stakeholders. When properly engaged, the media could play an important role in keeping the public informed and in marketing NEPAD to them.

34. The three major stakeholders in the implementation of NEPAD — the African Governments, the AU Commission and the NEPAD secretariat — should actively work to build relationships with the African and international media, in particular to change the negative perceptions of Africa. In that context, the highlighting of the Partnership's successful projects and good practices, including the agreed publication of African Peer Review Mechanism reports which deal with the issue of governance, would be helpful. In the same vein, the three major stakeholders should be more proactive in organizing regular media briefings and in ensuring that the media have better access to relevant people and information. The relationship with the media should be planned within the framework of the general communication and outreach strategy.

IV. Salience of United Nations Support for the New Partnership for Africa's Development

35. The United Nations system will remain an important pillar of international support for the implementation of NEPAD. The United Nations system has a major role in providing resources for programmes of NEPAD and in maintaining international support for Africa's development. The Panel believes that a well-functioning United Nations system in Africa that aims to contribute to that effort must address three interrelated issues: improving coordination of the United Nations system in support of NEPAD; enhancing collaboration between the entities of the United Nations system and the AU Commission, including the NEPAD programme; and strengthening the capacity of the United Nations system to better support NEPAD. The preceding issues were highlighted at the Panel's consultations with the AU Commission, ECA and other entities of the United Nations system based in Addis Ababa, and in its consultations in other capitals (see annex II).

A. Improving coordination of the United Nations system in support of NEPAD

36. The regional consultation meetings of United Nations agencies working in Africa are the current mechanism for coordination in support of NEPAD. The current arrangements for coordination between organizations and agencies of the United Nations system have many benefits. Under those arrangements, NEPAD serves as the organizing framework for the work of entities of the United Nations system in Africa, provides a common vision for concerted action and offers opportunities for greater collaboration. Where agencies have been actively involved in developing sectoral programmes of NEPAD and where there has been much collaboration among the relevant agencies, there has been marked progress in the particular sector. This is true of the water, agriculture, infrastructure and environment sectors. Nevertheless, the functioning of the coordination mechanism organized around the regional consultations and thematic clusters needs to be improved, in particular through more frequent meetings that offer opportunities for sharing information and for the development of joint programming.

B. Enhancing collaboration between the organizations and agencies of the United Nations and the African Union Commission, including the New Partnership for Africa's Development programme

37. Both the AU Commission and the entities of the United Nations system well appreciate the need for enhanced cooperation. A mechanism for consultation between the United Nations system and the AU Commission should reflect the expanded and wide-ranging nature of such cooperation. Though the entities of the United Nations system remain deeply committed to supporting both the AU Commission and the NEPAD secretariat, the lack of full integration of the latter into the AU Commission has created several problems. It has prevented the United Nations system from providing coherent support to the AU Commission and NEPAD programmes, led to the organization of separate activities and funding for

the AU Commission and the NEPAD secretariat, and resulted in developing separate arrangements for assisting both entities. For example, some individual agencies have simultaneously signed a memorandum of understanding with the AU Commission and a letter of understanding, or analogous instrument, with the NEPAD secretariat.

C. Strengthening the capacity of the United Nations system

38. While the entities of the United Nations system have made an important contribution to capacity-building in Africa, they also need to strengthen their capacity, in particular for improved delivery of support, improved coordination among themselves and enhanced collaboration with the AU Commission as well as with national Governments. For most of the United Nations organizations and agencies, increased funding holds the key to improved capacity to performing those tasks. That in turn will greatly depend on increased funding for their Africa-related programmes, which is highly dependent on financial resources obtained from their regular budgets and mobilized from extrabudgetary sources.

V. Monitoring of implementation

A. Importance of monitoring

39. Monitoring is central to ensuring full implementation of all commitments made. The importance of effective monitoring of the implementation of NEPAD was well recognized by African Governments in designing NEPAD. This was reflected in the creation of such institutional vehicles as the Heads of State and Government Implementation Committee and the African Peer Review Mechanism. While the former serves as an instrument to monitor and follow up on progress in all aspects of NEPAD, the latter functions as a vehicle for the self-monitoring of progress towards better governance among the participating member States.

40. At the same time, the need for a coherent mechanism that monitors the commitment of African development partners is also widely recognized. That need has become particularly urgent in the light of the multiplicity of commitments to and initiatives in support of Africa in the past few years.

41. The thrust towards the monitoring of commitments to Africa, based on the notion of mutual accountability, has culminated in the establishment of the African Partnership Forum. The Forum, which was established at the G8 Summit held in Evian, France from 1-3 June 2003, will monitor implementation of commitments made by both the international community and Africa and identify priorities for action on the basis of the Joint Action Plan. Beginning in October 2006, the Forum will produce an annual report, with the help of a small support unit, to strengthen the Forum's capacity, in close cooperation with the AU/NEPAD secretariat. Meanwhile, civil society involvement in monitoring has been proposed through the launch of African Monitor, to be based in Cape Town, South Africa.

B. Strengthening the monitoring process

42. Amid the increasing monitoring activities, it is important to note the attention to monitoring outcomes rather than to policy or programme inputs alone. In addition to monitoring which inputs are needed and delivered or which services and programmes are effective and efficient, outcome-oriented monitoring assesses developing impact, including progress in poverty reduction. In the particular context of NEPAD, that implies the monitoring of commitments and of their delivery in order to establish what practical difference they make for the development outcomes envisaged by NEPAD, including, particularly, poverty eradication.

43. Fundamental to such an outcome-oriented monitoring process are clear and measurable indicators of expected development performance outcomes, agreed target dates and clearly defined benchmarks. Indicators provide a meaningful way to determine progress, including impacts at the midpoint and at the end of the programmes.

44. In addition to indicators, the availability of current and reliable data across countries and over time is at the heart of an effective monitoring system. Data sources also need to be critically reviewed, as there may be a wide range of data sources available within African and donor countries for any given indicator.

45. Improving the monitoring process thus requires substantial improvement in terms of data and indicators. In addition, there is a need for a viable mechanism for the monitoring of commitments made, which would bring together the results of different monitoring mechanisms in one report on a regular basis.

46. The African Partnership Forum, notwithstanding its importance, has the major drawback of not being fully inclusive. While the Forum monitors the aid, trade and debt policies of OECD member countries, no similar structure exists at the moment to monitor and coordinate the economic cooperation activities of emerging donor countries, such as Brazil, China and India. The Office of the Special Adviser on Africa, as the focal point for NEPAD at United Nations Headquarters, should undertake the appropriate contacts with the emerging donor countries in order to define the best means to ensure proper monitoring and reporting to the General Assembly.

VI. Recommendations

Building on the momentum of international commitments

Trade

47. Insofar as the completion of the Doha round of trade negotiations will assist African development in several ways, the Panel acknowledges disappointment that the negotiations are currently stalemated. The Panel urges renewed efforts to complete the Doha round.

Debt relief

48. The Panel recommends that the Multilateral Debt Relief Initiative include both HIPC-eligible African countries that have not met the performance criteria, and non-

HIPC African countries, including middle-income African countries that are not part of HIPC. The Panel recommends that the Bretton Woods institutions and the African Development Bank fully implement the commitments made by the three financial institutions with respect to the Multilateral Debt Relief Initiative and that the Office of the Special Adviser on Africa be updated on of the implementation of those new steps.

Aid

49. Even though the volume of aid to Africa has increased from 2001 to 2005, in the Panel's view aid should involve real fund flows. The monitoring of aid to NEPAD should be made more efficient and more comprehensive by including such potential partners as Brazil, China, India and the Republic of Korea.

African measures for reinforcing international support

50. There is an urgent need for African leaders to develop an appropriate and technically coherent framework to resolve the institutional relationship between the AU Commission and the NEPAD secretariat. In the same vein, it is necessary to support the strengthening of the institutional capacity of the AU Commission while preserving the positive brand identity of NEPAD. There is also a need to build the capacity of the regional economic communities as instruments for the formulation and implementation of NEPAD projects, and to provide them with the necessary financial resources and skilled staff.

51. For effective implementation of NEPAD projects, it is important to enhance linkages and coordination between the African countries, the regional economic communities, the African Union, the African Development Bank and the Economic Commission for Africa.

52. African countries need to make further efforts to reflect NEPAD priorities in national development strategies and to engage their cabinets, particularly their ministers for finance, more fully in the NEPAD implementation process.

53. There is a need to create a strengthened partnership between the three drivers of development — the Government, the private sector and civil society — through the creation of mechanisms for multi-stakeholder consultations and for their participation in the implementation of NEPAD.

54. There is a need for greater public awareness of NEPAD and its programmes. African Governments need to embark on an effective communication and outreach strategy in order to build public awareness of NEPAD, to mobilize all stakeholder groups for action and to report on progress made in NEPAD implementation.

Salience of enhanced United Nations support for NEPAD

55. The United Nations system will remain an important pillar of international support. However, to ensure that it can be a credible and effective partner in the implementation of NEPAD, the United Nations system must review and reinforce its modalities of work in Africa, including the framework for coordination and collaboration. At the same time, a mechanism for consultation between the United

Nations system and the AU Commission should also reflect the wide-ranging nature of such cooperation.

56. Given that NEPAD is a programme of the AU Commission, it will be useful for the United Nations system to develop an integrated framework for supporting the Commission.

57. In reflecting on the scope of United Nations system support for NEPAD, the Panel also recommends that the entities of the United Nations system working in Africa should hold in-depth discussions on the recommendations of the present report.

Monitoring of implementation

58. It is important to deepen international support to improve the availability of current and reliable data, as well as of measurable indicators, through further statistical capacity-building in Africa.

59. It is important, furthermore, to bring the results of the different monitoring mechanisms together in one independent report on a regular basis. In our view, the Office of the Special Adviser on Africa should be strengthened to provide a valuable service in that regard and to support the United Nations overall responsibility for monitoring the performance of donors and partners.

Annex I

Members of the Panel

Emeka Anyaoku (Nigeria) is currently the International President of the World Wide Fund for Nature International, Chairman of the Presidential Advisory Council on International Relations in Nigeria and Vice-Chairman of the Board of the South Centre in Geneva. He is the former Secretary-General of the Commonwealth and Minister of Foreign Affairs of Nigeria.

Jagdish Bhagwati (India) is University Professor of Economics and Law at Columbia University and Senior Fellow at the Council on Foreign Relations. He has served as Economic Policy Advisor to Director-General, General Agreement on Tariffs and Trade, as Special Advisor to the United Nations on Globalization and as External Adviser to the World Trade Organization. Professor Bhagwati has been honoured with six festschrifts and has been awarded many honorary degrees and prizes. His latest book, In Defense of Globalization (Oxford University Press, 2004), has received worldwide acclaim.

Kwesi Botchwey (Ghana) is founder and Executive Chairman of the African Development Policy Ownership Initiative. He is former Minister of Finance for Ghana and was, for a number of years, Head of Africa Research and Programs at the Center for International Development, Harvard University. He also served as Chairman of the Panel that reviewed the experience of the United Nations New Agenda for the Development of Africa in the 1990s, and is currently Visiting Professor of International Development Economics at the Fletcher School at Tufts University.

Michel Camdessus (France) is President of the Centre for International Prospective Studies, Special Representative of the President of France for Africa and Honorary Governor of Banque de France. He is a former Managing Director of the International Monetary Fund and has served as Chairman of the Paris Club and Chairman of the Monetary Committee of the European Economic Community.

Fantu Cheru (Ethiopia) teaches courses in African and Development Studies at American University, Washington, D.C., and is currently serving as Convenor of the Global Economic Agenda Track of the Helsinki Process on Globalization and Democracy.

Ricardo Hausmann (Bolivarian Republic of Venezuela) is currently Professor of the Practice of Economic Development at the Kennedy School of Government, Harvard University.

Richard Jolly (United Kingdom of Great Britain and Northern Ireland) is Honorary Professorial Fellow of the Institute of Development Studies in the United Kingdom and Senior Research Fellow at the Graduate Center, City University of New York, where he is co-director of the United Nations Intellectual History Project. Before this, he served for nearly 15 years as Deputy Executive Director of the United Nations Children's Fund and for five years as Principal Coordinator of the United Nations Development Programme Human Development Report.

Anne Kristin Sydnes (Norway) has served as Minister of Development Cooperation of Norway, and has a background in research and the private sector. She was a research fellow and deputy director of the Fridtjof Nansen Institute where

she also worked for the two Nordic United Nations reform projects, and she has been director and senior adviser on corporate social responsibility issues for the Norwegian petroleum company Statoil.

Carol Lancaster (United States of America) is a Professor at Georgetown University, Washington D.C., and Visiting Fellow at the Center for Global Development. She is also Director of the Mortara Center for International Studies at Georgetown University (a new think tank on campus). She has been Deputy Administrator of the United States Agency for International Development, Deputy Assistant Secretary of State for Africa and has served in a number of other Government positions.

Masaki Miyaji (Japan) is Corporate Advisor of Mitsubishi Corporation. He has served as Executive Vice-President in various capacities within Mitsubishi Corporation. Before this, he served for seven and a half years as Chief Executive Officer of the Johannesburg Branch (covering all African countries) of Mitsubishi Corporation. He is now a Presidential Advisory Council member for four countries, including Ghana, Nigeria, South Africa and the United Republic of Tanzania.

Julienne Ngo Som (Cameroon) is a Chief Research Officer and currently occupies the post of Director of Scientific Information and Technological Development at the Ministry of Scientific and Technical Research in Cameroon. She is a former Minister of Social Affairs and Women Issues in Cameroon.

Cyril Ramaphosa (South Africa) is the Executive Chairman of Millennium Consolidated Investment. He is a non-executive chairman of Johnnic Holdings, MTN Group Limited and the South Africa Special Risks Insurance Association (SASRIA).

Ismail Serageldin (Egypt) is Director, Library of Alexandria, and Distinguished Professor at Wageningen University, Netherlands. He serves as chair and member of a number of advisory committees for academic, research, scientific and international institutions and civil society efforts which include the Institut d'Egypte (Egyptian Academy of Science), the Third World Academy of Sciences, the Indian National Academy of Agricultural Sciences and the European Academy of Sciences and Arts.

Annex II

Meetings and consultations held by the Panel

Date and location of meeting	*Meetings held with*	*Panel members present*
2-3 February 2006 Addis Ababa	**African Union Commission** Alpha Oumar Konare Chairperson Patrick Mazimhaka Deputy Chairperson Bernard Zoba Commissioner, Infrastructure and Energy Bience P. Gawanas Commissioner, Social Affairs Elizabeth Tankeu Commissioner, Rural Economy and Agriculture M. M. Mkwezalamba Commissioner, Economic Affairs Nagia Mohammed Essayed Commissioner, Human Resources, Science and Technology C. A. Johnson Secretary to the Commission Ben Kioko Legal Counsel Salif Sall Director, Strategic Planning Policy, Monitoring, Evaluation and Resource Mobilization Emile Ognimba Director, Social Affairs Geoffrey Mugumya Director, Peace and Security Kamel Esseghairi Director, Social Affairs Raymonde Agossou Head, Human Resources and Youth Simon N'Guiamba Consultant, Economic Affairs Bureau of the Chairperson	Kwesi Botchwey

Date and location of meeting	*Meetings held with*	*Panel members present*
	Marie-Claire Umu Bisamaza Special Assistant to the Deputy Chairperson	
2-3 February 2006 Addis Ababa	**Economic Commission for Africa** Abdoulie Janneh Executive Secretary Daniel Tanoe Special Assistant to the Executive Secretary Ehui Mamou Economic Affairs Officer	Kwesi Botchwey
2-3 February 2006 Addis Ababa	**Office of Programme Planning and Coordination** Demba Diarra Economic Affairs Officer Ehui Mamou Economic Affairs Officer Ngartando D. Blayo Senior Economic Affairs Officer Eltigani Ateem Regional Adviser	Kwesi Botchwey
2-3 February 2006 Addis Ababa	**Economic Commission for Africa** **Programme Managers** Aida Opaku-Mensah Officer-in-Charge, Development Information Services Division Kasirim Nwuke Officer-in-Charge, Trade and Regional Integration Division Augustin Fosu Director, Economic and Social Policy Division Ousmane Laye Officer-in-Charge, Sustainable Development Division Wambui Karanja Officer-in-Charge, African Centre for Gender and Development Okey Onyejekwe Director, Development Policy Management Division	Kwesi Botchwey

Date and location of meeting	*Meetings held with*	*Panel members present*
	Eltigani Ateem Regional Adviser	
	Demba Diarra Economic Affairs Officer	
	Ngartando D. Blayo Senior Economic Affairs Officer	
	Yousif Suliman Director, Human Resources and Finance Division	
2-3 February 2006 Addis Ababa	**Agencies of the United Nations system in Addis Ababa**	Kwesi Botchwey
	United Nations Development Programme Regional Liaison Office	
	Dionou Fidele Resident Representative to the African Union	
	Hannah Gutema Assistant Resident Representative to the African Union	
	Country Office	
	Tomoko Nishimoto Resident Representative (ad interim)	
	Regional Support to the New Partnership for Africa's Development African Peer Review Mechanism	
	Zemenay Lakew Senior Regional Programme Coordinator	
	United Nations Children's Fund	
	Bruck Fikru Liaison Officer	
	Maes Bruno Senior Plans Officer/Officer-in-Charge	
	United Nations Population Fund	
	Metchal Tilahun Liaison Officer to the African Union and the Economic Commission for Africa	
	Maria Lourdes M. Luces Liaison Officer	

Date and location of meeting	*Meetings held with*	*Panel members present*

Jude Edochie
Deputy Resident Representative

International Telecommunication Union

Chali Tumelo

Office of the United Nations High Commissioner for Refugees

Befekadu Berhanu
Head of Unit

Joint United Nations Programme on HIV/AIDS

Bunmi Makinwa
Country Coordinator

United Nations Environment Programme

Strike Mkandla
Representative to the African Union and the Economic Commission for Africa

Sewit Assefaw
Intern

Deborah Chappat
United Nations Volunteers Intern

World Food Programme

Ms. Helen Bekele
Liaison Officer

World Health Organization at the African Union and the Economic Commission for Africa

Gaetan R. Ouedraogo
Director

United Nations Liaison Office — African Union

Boubacarr-Blaise I. Jagne
Head of the United Nations Liaison Office — African Union

Economic Commission for Africa

Mamou Ehui
Economic Affairs Officer

Eltigani Ateem
Regional Adviser

Date and location of meeting	*Meetings held with*	*Panel members present*
	Damba Diarra Economic Affairs Officer	
2 February 2006 Brussels	**European Union**	Julienne Ngo Som
	A. Theodorakis Deputy Director-General Directorate General for Development	
	W. Olthof Directorate General for Development	
	I. Driesmans Directorate General for Development	
	K. F. Falkenberg Deputy Director-General for Trade	
	J. Wuenburger Directorate General for Trade	
3 February 2006 London	**United Kingdom of Great Britain and Northern Ireland** **Department for International Development**	Richard Jolly Fantu Cheru
	Rosemary Stevenson Head of Africa Policy Department	
	Graham Stegmann Director 2005 Strategic Adviser to the Management Board	
	Liz Peri Africa Policy Department	
	Ina-Ellen Ismail External Relations Policy Officer Africa Policy Department	
	Anne Schmidt Policy Officer, Pan African Policy Unit Foreign and Commonwealth Office	
2-3 February 2006 Tunis	**African Development Bank**	Emeka Anyaoku
	Donald Kaberuka President	Masaki Miyaji
	Boubacar Sidibe Director, Agriculture and Rural Development Department	

Date and location of meeting	*Meetings held with*	*Panel members present*
	Andrianarison Rakotobe Director, Infrastructure Department	
	Mah'moud Michael Senior Advisor, NEPAD Support Unit	
	Gabriel Negatu Chief Governance Specialist	
6-7 February 2006 Abuja	**President of the Republic of Nigeria** **Other high-level officials**	Emeka Anyaoku
	Olusegun Obasanjo President of the Republic of Nigeria	Michel Camdessus
	Ngozi Okonjo-Iweala Minister for Finance of Nigeria	Fantu Cheru
	Tunji Olagunju Chairman, NEPAD Steering Committee	Julienne Ngo Som
		Carol Lancaster
		Anne Kristin Sydnes
		Masaki Miyaji
		Richard Jolly
6-7 February 2006 Abuja	**African Business Roundtable**	Emeka Anyaoku
	Bamanga Tukur President	Michel Camdessus
	Bashorun J. K. Randle Director	Fantu Cheru
	Chi-Chi Abagana Member	Julienne Ngo Som
	Dotun Ajayi Coordinator, West African region	Carol Lancaster
	Samuel Ayodele Executive Assistant to the President	Anne Kristin Sydnes
	Mike Ajeigbo Chairman, Minaj Broadcasting International	Masaki Miyaji
	Pat Nwobodo Chair, Rowef Group Financial Services Group	Richard Jolly

Date and location of meeting	*Meetings held with*	*Panel members present*
8-9 May 2006 Tokyo	**Officials of the Government of Japan** **Business Groups** Yasuhisa Shiozaki Senior Vice-Minister Ministry of Foreign Affairs Yoichi Otabe Director-General for Sub-Saharan African Affairs Ministry of Foreign Affairs Shinichi Saito Executive Vice-President Japan External Trade Organization Izumi Arai Resident Executive Director for Africa Japan Bank for International Cooperation Mikio Mori Director, Second Africa Division Jazushia Matsuoka Vice-President, Japan International Cooperation Agency Tomohiko Mihara Member of Parliament Vice-Chairman of the African Support Club Atsushi Hatakenaka Senior Vice-President, Japan International Cooperation Agency Japan Bank for International Cooperation Hiroto Arakawa Executive Director, Tapan Bank for International Cooperation	Carol Lancaster Masaki Miyaji Fantu Cheru
11 May 2006 Beijing	**Government of China** He Yafei Assistant Minister for Foreign Affairs Ministry of Foreign Affairs Li Qiangmin Deputy Director-General, Africa Department Ministry of Foreign Affairs Zhou Yabin Director-General, Department of Western Asian and African Affairs Ministry of Commerce	Fantu Cheru Carol Lancaster

Date and location of meeting	*Meetings held with*	*Panel members present*
	Tin Lin Deputy Director, Office of the Secretariat of the Chinese Follow-up Committee of the Forum on China-Africa Cooperation Africa Department, Ministry of Foreign Affairs	
24 May 2006 New York	**African Business Roundtable** **NEPAD Business Group**	Emeka Anyaoku Fantu Cheru
	Mike Ajeigbo Chairman, Minaj Broadcasting International	Julienne Ngo Som
	Sweet Giwa-Osagie Executive Secretary, NEPAD Business Group Nigeria	Carol Lancaster Masaki Miyaji
	Ken Ife Policy Adviser to the President African Business Roundtable	